



# Indiana Department of Education

SUPPORTING STUDENT SUCCESS

*Superintendent of Public Instruction Dr. Tony Bennett convened a conference call with Indiana school superintendents at 2 p.m. (EDT) on Monday, April 6, 2009 to discuss the release of the first round of Federal Stimulus (ARRA – The American Recovery and Reinvestment Act) dollars.*

*A summary of the information shared by Dr. Bennett, including answers to questions posed during the call, is provided below.*

*A recording of the call is available at <http://www.doe.in.gov/stimulus/>.*

## **1) Process**

- The federal DOE is in the process of releasing 50% of Title I and IDEA, Part B dollars.
  - The remaining 50% will be available later in the year and is contingent on proper use of this money.
- DOE has been working very hard to make sure these Title I and IDEA, Part B funds get to schools as soon as possible because of the May 1 deadline for reductions in force.
- To ensure compliance with federal guidelines and expectations, schools will need to sign an assurance document for each fund and complete a brief Proposed Budget for each funding source the district will receive.
  - All forms are available at available at <http://www.doe.in.gov/stimulus/>.
  - IDOE will pre-populate the Proposed Budget for each district upon receipt of final allocation amounts from the federal government.
- Assurance document requires districts to use the funds in accordance with all ARRA, Title I, and IDEA guidelines, report in a timely manner, allow audits and acknowledge these are one-time investments and not to build into normal operating budgets.
- These funds can't be mingled with normal Title I and IDEA funding and State Board of Accounts will provide guidance on how funds must be setup.

## **2) This is one-time money**

- It is important to remember that this is one-time money.
- We all must spend the next two years taking a hard look at our budgets to understand how we can innovate in order to do more with less.
- If we don't make structural changes, we will hit a funding cliff in two years.

## **3) Oversight is extremely important and reporting will be strict**

- **There are others funds available through the stimulus (such as Race to the Top), but some of the criteria for receiving those are based on how we spend stimulus dollars now.**
  - It is critical that this money is used effectively and that these uses are carefully documented so that we are in position to secure the remaining 50% of Title I and IDEA

dollars and a good portion of the \$4.3 billion that will be available in Race to the Top funds.

- Strict reporting will ensure that federal government sees we are spending the money wisely.
- Spending on one-time expenditures that increase learning opportunities for students or improve efficiencies will signal our commitment to creative thinking and reform.
- Assurances are needed to show the federal government that we are serious about using money well and that both state and local are signing assurances.

#### 4) Timeline

- We expect the federal government to release 50% of the money to states this week.
- Districts should be able to withdrawal money by the **week of April 13.**
- HOWEVER, before districts can withdraw money they must sign an assurance document for each fund that says...
  - They will use the funds in accordance with ARRA, Title I and IDEA guidelines
  - They will report spending in a timely manner
  - They will allow audits
  - They acknowledge these are one-time investments and they will not build the money into normal operating budgets
- We will be sending out info on assurance documents shortly.
- After the federal government releases the money, IDOE receives the assurances, approves the Proposed Budget and a fund center has been established, IDOE will make money available to schools within **3 business days.**
- DOE will email superintendents as soon as we receive notification that the money is available for withdrawal.

## **Q&A with School Superintendents**

*The questions and answers summarized provided below have been combined, condensed, and reordered in some cases for sake of clarity.*

**How can we be creative as USDOE says we need to be while still being able to avoid reductions in force?**

The department will be providing guidance regarding the use of IDEA funds and how schools might be able to create flexibility with these funds while still maintaining their federal Maintenance of Effort (MOE). However, please keep in mind that all federal rules and regulations apply to the Title I and IDEA stimulus money and these funds must be used within these restrictions.

**Will targeted assistance, Title I schools have the opportunity to move these new funds to other schools within the corporation which they have not been able to serve due to limited funding in Title I?**

Yes. The IDOE will distribute new eligible school summary sheets to each district. Districts may decide which schools to serve following the ranking and serving requirements under Title I.

**Are these funds eligible for collective bargaining?**

Local school corporations and their educational association will need to determine what funds are eligible for collective bargaining. However, as reiterated in the letter of assurances executed by each school district and acknowledged by each local teachers association, stimulus dollars are one-time funds that will be not be sustained by the state.

**The legislation that passed the U.S. House of Representatives included construction money designated for each school corporation, was this removed from the legislation before final passage?**

Dedicated funds for school construction are not in the federal stimulus package. State stabilization funds can be used for school construction. The status of the state stabilization funding is unclear and we are awaiting a decision by the USDOE on how this money can be allocated.

**Part of our original understanding was some of it could be used for energy efficiency projects by changing old boilers. We have lots of firms contacting us, saying that there is money available and we need to apply for it. Is this premature?**

Yes, those activities are premature because the US DOE has not provided guidance for the use of funds beyond Title I and IDEA, through which such projects are ineligible.

**Normally our IDEA grant money goes directly to our co-op. We don't fill out the application. So it is my understanding that this money will come directly to us?**

The IDEA funds will be distributed to school districts through established special education planning districts.

**We have heard conflicting amounts of money each school will receive in Title I. Are those numbers set?**

The Title I allocation for Indiana is \$168 million. The allocation by school district is available on the DOE website at [www.doe.in.gov/stimulus/](http://www.doe.in.gov/stimulus/).

**Would it be feasible to use some of this money for professional development for our staff?**

Yes, both Title I and IDEA allow for professional development activities. Please confer with your Title I Specialist or IDEA monitoring contact to ensure that the professional development you are planning is consistent with Title I and IDEA uses.

**Secretary Duncan said that a certain amount of the IDEA money could be use for staff development of general education teachers to help with special education students and particularly what we had in mind was to do some RTI training that relates to special education for regular teachers. Can we use IDEA dollars for this purpose?**

Yes,

**When we are going to advance our strategic plans, and that includes at risk students and special education students, we are concerned about the capacity of our vendors to provide the services in a timely manner for the expenditures to occur. Can we encumber those? Or can we appropriate those in various vendor contracts? Or do we have to spend this by the end of the 24 or 27 month period?**

The same timelines apply as apply to regular IDEA and Title I allocations. For Title I, recipients have 15 months to spend 85% of the dollars and may carry over the remaining 15% for an additional year. For IDEA, recipients have 12 months to spend the dollars and may carry over as much as the entire allocation for an additional year.

**Considering we will get 50% right now, when does the total have to be spent?**

You must obligate all Title I and IDEA, Part B funds made available through the ARRA by September 30, 2011. Costs are allowable beginning February 17, 2009, the effective date of the ARRA.

**Can we use these monies to extinguish debt?**

No.

**What will the general budget DOE is requesting look like?**

The budget will follow the same format as regular Title I or IDEA allocations. Districts must track the stimulus funding separately from non-stimulus funding.

**General education teachers that have been laid off: If new Title I positions are created, can we use these stimulus dollars to rehire those teachers into that new Title I position?**

Yes.

**With our current IDEA funds, we are required to spend a proportionate share of those on private schools. Does the same requirement hold for the stimulus funds?**

Yes.

**Does approval of a Proposed Budget and execution of the assurances ensure that districts don't run the risk of being audited down the line?**

No. The IDOE will review each Proposed Budget to ensure that planned expenditures are consistent with federal guidelines. The IDOE also has the obligation to review actual expenditures as well, to ensure that funds were spent as proposed.

**How will the Title I and IDEA funds be divided?**

The federal government is distributing the funds according to each district's Title I or IDEA established formula.

**Existing guidelines of Title I, is the stimulus money added into the total Title I funds or does it go into separate books?**

Each stimulus allocation must be maintained separately from a district's regular Title I or IDEA allocation. Note, however, that the stimulus allocation and the regular Part A allocation will constitute a total FY 2009, Title I, Part A allocation. Set-asides are calculated based on the total FY 2009 allocation.

**Are the IDEA grants for pre-school age students too or are we able to get some of the part C dollars?**

There are two grants for Part B, one for pre-school and the other for ages 3-21.

The Part C is through FSSA for toddlers.

**We currently have a literacy coach that we pay out of the early literacy program. Could that coach's salary be paid for out of the special education or the Title I funds that are coming?**

Both Title I and IDEA allow for you to pay support staff. However, supplement not supplant requirements are applicable with the stimulus allocation.

**Would it be appropriate to use IDEA funds for a one time retirement buy-out for teachers?**

No.